



Memorandum

To: Planning and Economic Development Committee

Via: Gary Jackson, City Manager

From: Scott Shuford, Planning and Development Director

Subject: Level III Exemptions and Threshold Adjustments

CC: Bob Oast, City Attorney
Curt Euler, Assistant City Attorney

Date: October 11, 2006

This memorandum expands on the discussion about development incentives from the September PED meeting. It includes a table with the original staff suggestions regarding Level III exemptions and threshold adjustments, possible alternatives, and a comment section. One alternative, a menu-based incentive program, is provided as an attachment for example only. This information is intended to stimulate PED Committee discussion and, ultimately, direction to staff.

Please advise if you have questions or comments.

Level III Exemptions and Threshold Adjustments

Exemption or Threshold Adjustment	Original Staff Suggestion	Alternative Concepts	Comments
Exempt CBD	Development located in the downtown central business district shall be exempt from the Level III review requirements provided such development is in compliance with the downtown design guidelines as determined by the downtown commission in accordance with the applicable review procedures.	Exempt only structures under __ stories in height and which comply with design guidelines (staff suggests getting Downtown Commission input on height) Establish a threshold adjustment similar to that for TODs provided there is full compliance with design guidelines Create a sliding-scale menu plan*	City policies promote intense development in Downtown. Council must gauge the need for Council-level public input and decision-making for larger developments in the CBD. Is there a particular Council issue (e.g., height) that is of concern?
Exempt Local Historic Districts	Development located in a local historic district shall be exempt from the Level III review requirements provided such development is in compliance with the applicable design guidelines as determined by the historic resources commission in accordance with the applicable review procedures.	Establish a threshold adjustment similar to that for TODs provided there is full compliance with design guidelines Create a sliding-scale menu plan*	The practical effect of this exemption is minor – there will be very few Level III projects in local historic districts.
Affordable Housing Threshold	Dwelling units that meet City of Asheville requirements for housing affordability for a period of ten years or longer shall not be counted toward the Level III threshold requirement.	Establish a threshold adjustment similar to that for urban zoning districts Create a sliding-scale menu plan*	This is basically an exemption for affordable units. A very large affordable housing development could be approved at the staff (TRC) level. Council must balance the public input goal relative to the provision of affordable housing goal. There is a real cost-savings associated with avoiding Level III review.
	Dwelling units that contain 450 or fewer square feet in gross floor area shall not be	Create a sliding-scale menu plan*	This threshold adjustment is intended to promote the construction of

Exemption or Threshold Adjustment	Original Staff Suggestion	Alternative Concepts	Comments
Dwelling Unit Size Threshold	counted toward the Level III threshold requirement. Dwelling units that contain one or more bedrooms and 600 or fewer square feet in gross floor area shall not be counted toward the Level III threshold requirement. Dwelling units that contain two bedrooms and 850 or fewer square feet in gross floor area shall be counted at 0.5 unit toward the Level III threshold requirement. Dwelling units that contain three or more bedrooms and 1,000 or fewer square feet in gross floor area shall be counted at 0.5 unit toward the Level III threshold requirement.		smaller units for the purposes of affordability, market niche, and reduced impact per unit. A very large housing development could be approved at the staff (TRC) level.
Urban Zoning Thresholds	The Level III threshold for residential development in the neighborhood corridor and urban residential districts shall be more than 100 dwelling units. The Level III threshold for residential development in the urban place district shall be more than 150 dwelling units.	Create a sliding-scale menu plan*	
Transit- Oriented Development Thresholds	The Level III threshold for residential developments located on a transit route and that significantly integrate transit into their site design and operation shall be more than 100 units. The Level III threshold for nonresidential developments located on a transit route and that significantly integrate transit into their site design and operation shall be more than 150,000 square feet of gross floor area provided such developments also meet the minimum	Create a sliding-scale menu plan*	This is from the original staff proposal: (NOTE: There is a proposal for certain types/scales of developments to pay into a transit fund; this may be one way to allow developments to meet the transit-orientation requirement for a threshold adjustment.)

Exemption or Threshold Adjustment	Original Staff Suggestion	Alternative Concepts	Comments
	requirements for approval of large scale commercial projects using the applicable checklist review by the planning and development department.		
Green Building Thresholds	The Level III threshold for residential developments certified as Healthy-Built shall be more than 100 units. The Level III threshold for nonresidential developments that are LEED-Certified shall be more than 150,000 square feet of gross floor area provided such developments also meet the minimum requirements for approval of large scale commercial projects using the applicable checklist review by the planning and development department.	Add green roofs, other impervious surface reduction as a stand-alone category Add conservation of significant natural features as a stand-alone category Create a sliding-scale menu plan*	

* see attachment for example

Attachment – Example of a Sliding-Scale Menu Plan

Developments receiving a total of >50 points from the following table will have a Level III threshold of 100 dwelling units for residential developments and/or 150,000 square feet of gross floor area for nonresidential developments.	Developments receiving a total of >75 points from the following table will have a Level III threshold of 150 dwelling units for residential developments and/or 250,000 square feet of gross floor area for nonresidential developments.	Developments receiving a total of >100 points from the following table AND which are determined to be in full compliance with the design requirements by the applicable design review board shall be exempt from Level III threshold requirements. Exemptions are only available for properties located in the Downtown CBD, a local historic district(s), or are subject to review by the River District Design Review Committee.
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Goal	Points
HOUSING	
Housing Affordability - Points per each 10% of total units <ul style="list-style-type: none"> Affordable to <60% of local median income households Affordable to <80% of local median income households Affordable to 80-120% of local median income households 	<ul style="list-style-type: none"> 20 15 10
Smaller Units - Points per each 10% of total units <ul style="list-style-type: none"> Units <450 square feet (sf) 1BR units <600 sf; 2BR units <850 sf; 3BR units <1000 sf 	<ul style="list-style-type: none"> 10 10
Mixed Use Development (>50% of GFA is residential)	<ul style="list-style-type: none"> 15
GREEN BUILDING	
LEED-Certification (NOTE: not cumulative) <ul style="list-style-type: none"> Certification Silver Gold Platinum 	<ul style="list-style-type: none"> 20 25 35 45
Healthy-Built Certification	<ul style="list-style-type: none"> 25
NATURAL RESOURCE CONSERVATION	
Green Roof (>50% of total roof area)	<ul style="list-style-type: none"> 20
Adaptive Reuse of Existing Structure or Use of Existing Structure for Fill	<ul style="list-style-type: none"> 15
Parking Impact Reduction <ul style="list-style-type: none"> Pervious Pavement (>50% of total parking provided) Parking Structure (>50% of total parking provided above/below ground level) 	<ul style="list-style-type: none"> 25 25
Natural Area Conservation (NOTE: not cumulative) <ul style="list-style-type: none"> 25%-35% of site >35%-50% of site >50% of site 	<ul style="list-style-type: none"> 15 25 35
TRANSIT-ORIENTATION	
Provision of minor transit facility (e.g., transit shelter)	<ul style="list-style-type: none"> 5
Provision of major transit facility (e.g., transfer station)	<ul style="list-style-type: none"> 15
Commitment to fund transit pass program for residents for >5 years	<ul style="list-style-type: none"> 15
INFILL	
Located in an area or areas designated on the City of Asheville Priority Places webpage	<ul style="list-style-type: none"> 20

